

SO MANY LEADERSHIP PROGRAMS, SO LITTLE CHANGE: WHY MANY LEADERSHIP DEVELOPMENT EFFORTS FALL SHORT

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Leadership is less about tracking and measuring progress; it is more about the art of setting a vision and instilling a passion among others for a bold, new future. Yet, a review of the leadership curriculum of several management support organizations (MSO's) and universities reveal there is a plethora of leadership development programs, trainings, and initiatives funded by foundations and managed by MSO's and universities that focus on the basics of management, rather than the art of leadership. "Despite widespread investment in management and leadership education in both the private and public sectors, such programs have not seen uniform success" (Etengoff, 2007, p. 49).

Helping managers become visionary leaders is possible, but it is not easy. Knowing *what* to do is different from knowing *how* to do it, and this is certainly the case for developing leadership effectiveness. Leaders learn about leadership by *being* in a certain mindset. They become stronger leaders by learning from past experiences, and becoming wiser predictors of changing circumstances. Leaders learn how to develop followers by carefully planning and executing actions that build support, enthusiasm and confidence from a wide range of stakeholders. These are not activities that occur in a classroom; they happen on the job.

It seems that the well-intentioned efforts of many MSO's and universities to develop nonprofit leaders have missed the mark, and this has serious implications for the future. Because of the large number of nonprofit managers these two types of organizations reach and train, they are too significant to not

address how they should modify their approach to leadership development.

Based on a review of the literature, online searches, and seventeen years of experience as a leadership practitioner (in the capacity of consultant, executive coach and grant maker), this author suggests that more MSO's and university programs billed as *leadership development* courses need to make two fundamental shifts:

1. Focus more on building leadership competencies rather than management skills.
2. Incorporate best practices of adult learning in their leadership development efforts.

This article makes the case for refocusing the content and delivery of traditional leadership development efforts of many MSO's and university programs. The author contends that leadership development programs should incorporate:

- Designing a structure that yields time for self-reflection and builds self-awareness.
- Requiring individualized learning objectives and self-development plans.
- Differentiating between good and great performance (as suggested by Jim Collins).
- Allowing growth and development to occur in real time, while on the job.

By incorporating and modifying the content and the delivery of leadership development programs, foundations that fund programs will realize a greater return on their investment. They may also see evidence of the impact of these programs in the community. This is especially needed as more is being expected of nonprofits and their leaders. "As more attention is paid to strengthening the capacity and performance of nonprofits, more is being

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demanded of their senior management teams” (Tierney, 2006, p. 12).

MODIFYING THE CONTENT

A review of the seminar content billed as executive leadership programs of several MSO’s and universities reveal they are really basic skill building endeavors – valuable for front-line staff or middle managers – but they do not develop leadership potential.

Many MSO’s offer leadership programs geared towards new, emerging or incoming executive directors. When coursework is geared towards new managers, the topics inevitably go back to basics. At the Center for Nonprofit Excellence in Central New Mexico for example, the curricula includes HR essentials, Advertising and Promotions, and Essentials for Management. (<http://www.centerfornonprofitexcellence.org/home/leadershipcalendar>). Similar curricula for emerging leaders and their nascent organizations is offered by a number of MSO’s including the Michigan Nonprofit Association, Robert Morris University, and the Center for Nonprofit Management in Nashville to name a few.

A review of courses offered by the Center for Nonprofit Management in Los Angeles over the last year includes the following courses under their executive leadership banner: The Mechanics of Board Operations; Building and Maintaining an Effective Board of Directors; Delineating Board/Staff Roles; IRS Regulations of 403-B Plans; and Tools for New Executive Directors that includes such topics as fundraising, strategic planning, and financial management. (<http://www.cnmsocial.org/training/seminars/leadership-initiatives.html>). These are basic management concepts, and they do not necessarily lead to enhanced leadership abilities.

The foundation community has invested in MSO and university programs that teach management concepts rather than building leadership

capabilities, and it is through the latter that organizational capacity can be built.

Why do MSO’s and their university counterparts focus on management skills rather than leadership capabilities? Thomas Tierney (2006, p. 26) writes, “Leadership shortfalls can be hard to calibrate, awkward to discuss and tempting to avoid.” And like Justice Potter Stewart’s famous saying about indecency – “It may be hard to define, but I know it when I see it” – leadership is hard to define, let alone evaluate objectively.

Knowing what to do is different from knowing how to do it, and this is certainly the case for developing leadership effectiveness.

It is easy to determine if people have mastered Quick Books or learned to develop a budget. It’s simple to measure whether an organization recruited three new board members or secured two new foundation grants six

months after training. And in the age of needing to measure everything as proof of doing the things rightly, it is tempting to offer quick-fix programs with outcomes that can be quantified. Perhaps that is why so many MSO’s offer similar classes on board recruitment, fundraising, and strategic planning.

A second potential reason for shying away from leadership capabilities may be a fear that addressing things like compelling visions and building followers will turn into a charisma contest or charm school. Peter Drucker said it best:

Leadership is not magnetic personality – that can just as well be a glib tongue. It is not ‘making friends and influencing people’ – that is flattery. Leadership is lifting a person’s vision to higher sights, the raising of a person’s performance to a higher standard, the building of a personality beyond its normal limitations. (1986, p. 159)

A third reason some MSO’s and universities may steer away from leadership and focus on management skills instead is they may recognize that organizations need different kinds of leaders, and no one leadership model fits all leaders. Yet in review-

ing the courses offered by the Centers for Nonprofit Excellence in central New Mexico, Akron, and Charlottesville, and the Center for Nonprofit Management in Los Angeles, they deliver a standard curriculum, with everyone learning the same set of ideas and skills. Leadership effectiveness, however, is almost always situation-specific. In 1968, Hershey and Blanchard introduced a model of situational leadership to describe the different behaviors leaders need to demonstrate over changing circumstances (http://www.12manage.com/methods_blanchard_situational_leadership.html).

What an organization needs from its leader at one point in time is often radically different from what it needs at another. “Getting Over Growing Pains,” an article featured in *The Chronicle of Philanthropy*, underscored the reality that a leader who is tremendously successful in one environment may be a dismal failure in another because different circumstances call for different leadership styles and strengths (Hall, 2006).

A sound leadership development program that seeks to build organizational capacity should help people recognize when they are managing an organization versus when they are leading it. Most professional development efforts are designed to help people build skills and teach them to *do* something. Developing one’s leadership potential is as much as about helping people *be* a leader as it is about learning to do new things.

When nonprofit chief executives reside exclusively in the management terrain, they are much more likely to make incremental progress in advancing their organization. Often the enhancements they make to the organization are fleeting, having an immediate impact, and then tapering off. When chief executives are consistently living in the leadership domain, they are far more likely to achieve breakthroughs. When the philanthropic community develops and funds management training programs that do not address ways to build leadership capabilities, foundations should not be surprised when the number of breakthroughs is few and far between.

In their book *Leaders Who Make a Difference*, Burt Nanus and Stephen Dobbs distinguish leadership from management by noting:

Managers are charged with operating an organization and ensuring it provides useful services to clients and the community efficiently and effectively. While concerned about the present, leaders are focused on the future direction of the organization, positioning it to take advantage of emerging opportunities, developing new capacities and making it an adaptable, learning organization. (1999, p.8)

Table 1, developed by the author and drawn from various theorists and practitioners, represents some of the differences between leading and managing.

Let us delve into the second example in Table 1. When managers work to get the best return on investments already made, their focus is on becoming more efficient, which is important. But it is not the whole story. What is more compelling is deciding where and when to invest or divest in search of new opportunities. It may be harder to teach this skill than helping managers become more efficient, but the art of seizing opportunities is what distinguishes strong leaders from average managers, and it is a factor in strengthening an organization’s ability to fulfill its mission.

When managers focus on the best return on investments already made, they consider, “If we give up doing project A, how will it impact our funding stream, client base and employees?” When a leader focuses on building opportunities, the mindset goes to, “How do I engage funders and staff in a dialog about where we want to be in the future?” It is in this second mindset where new or expanded organizational capabilities will be birthed.

Leaders should be preparing to meet new challenges, not just plan their way out of existing ones. Poet-turned-management guru David Whyte (2006) noted, “It’s the job of leaders to step out into the future that’s not yet created, to hear the voices that you don’t yet recognize.”

Table 1: Difference between Managers and Leaders

MANAGERS	LEADERS
Make things happen and keep work on track	Create opportunities and make key choices
Get the best return on investments already made	Decide where and when to invest/divest in search of new opportunities
Set goals and track progress	Inspire achievement and energize people
Learn from their own mistakes	Learn from the success of other organizations
Undertake activities to address established priorities	Prepare the organization for the transitions to meet new challenges
Set plans and deadlines	Set vision and instill a passion
Seek funding for immediate needs	Plan and acquire resources needed in the future
Determine efficiencies and standards	Help others discover what will make a difference
Problem-solve and hold others accountable	Motivate and coach others
Have people report to them	Have followers
Provide the structure	Create the means
Do things right	Do the right things

In response to the looming nonprofit executive succession crisis, more MSO's and university-based leadership development programs are beginning to add leadership content to their existing array of management courses. This is an important trend, but more MSO's need to adapt their content to focus more on leadership. In addition to adapting their content, more MSO's and university programs should consider adapting their model of delivery or pedagogy to include key practices of adult learning.

MODIFYING THE DELIVERY TO INCLUDE BEST PRACTICES IN LEADERSHIP DEVELOPMENT

The most effective leadership development efforts represent a significant departure from the traditional trainings that foundations have supported and MSO's have delivered for years. These programs incorporate many of the best practices of leadership development. The author suggests the four most critical best practices in leadership development programs are self-awareness; participant-specific learning outcomes; understanding the difference

between being good at something and excelling at it; and taking time to apply the principles of leadership on the job.

1. Self-awareness

Effective leadership development efforts require people to look inside themselves first, before they look beyond themselves. "The best gift an educator can give is to get somebody to become self-reflective" (Pausch, 2007). Based on the author's work with over 100 nonprofit chief executives, the vast majority of executive directors/CEO's report a lack of frank and specific feedback on how they are perceived. Subordinates are reluctant to offer criticisms; board members are often vague when offering feedback. In the author's experience with dozens of organizations, only a tiny fraction of nonprofits utilize a 360 feedback process to help CEO's test their self-perceptions.

A review of the training programs offered by several MSO's and universities reveal that very few offer a tool to improve self-awareness. One exception is the Executive Fellows Program run by the United Way

of New York City which incorporates a 360 degree assessment process and positions it as a catalyst for change, in addition to building self-awareness (<http://www.unitedwaynyc.org/?id=48&pg=exec>).

To effectively lead their organizations, all chief executives need to possess the self-awareness of how their reputations, behaviors, decisions, and inactions impact their environment and their teams. The most effective leaders learn not only what new things to take on to be successful in the future, but what behavior or traits they need to shed because those traits will longer serve them in new circumstances. A great irony of leadership development is that the skills and competencies that brought leaders to their present circumstances are rarely the ones they will need to advance their organization to the next level (Goldsmith, 2007).

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2. Participant-specific learning outcomes

An effective leadership development effort designed to build organizational capacity needs to be structured in such a way that each participant develops an understanding of what his or her organization needs from its leader now and in the future. That means the take-away's and lessons learned will vary for each participant. One MSO that utilizes individualized learning goals for participants is the Leadership Academy Program for Women Executive Directors in Underserved Communities offered by the Nonprofit Services Consortium in St. Louis (<http://www.nonprofitservices.org/WEDUCProgramActivities.html>).

In reviewing the curricula offered by MSO's and universities, most run open enrollment programs that attract 15-30 leaders from as many nonprofits. Each leader comes to the session representing a different set of needs and circumstances. Yet, the curricula content for the seminar is predetermined. One example is the Nonprofit Leadership Institute

run by the highly regarded Dorothy A. Johnson Center for Philanthropy at Grand Valley State University, in Allendale, Michigan. Their Principles and Techniques for Fundraising program covers the basics of fundraising: how to identify donors, structuring a successful solicitation, building an annual fund donor based, and the importance of planned giving (<http://main.gvsu.edu/jcp/?id=66D23C39-F3A9-1409-8FC8D692C4318D89>). The content of

this and most of their courses is all pre-determined; participants are expected to learn the same principles, and the course objectives remain similar for all participants.

The Grand Valley State example is not the exception to the rule. Indeed, a review of many courses offered by MSO's and

universities reveal a standard curricula despite not knowing in advance who will be taking the course, the needs of those organizations, or the needs and skill levels of the participants.

3. Differentiating between good and great

There is a huge difference between outstanding performers and average ones. Research about top performers from both the corporate and nonprofit sectors found strikingly similar results (Zenger & Folkman, 2002, p. 48):

- High performers are consistently more productive than average performers.
- Top managers have lower staff turnover than average ones.
- There is a statistically significant relationship between leadership effectiveness and financial stability; the more effective the leader, the stronger the finances.

In his book, *Good to Great*, Jim Collins noted, "Greatness is not a function of circumstance. Greatness, as it turns out, is largely a matter of conscious choice" (2001, p.11). Programs that hope to

build leadership capacity should help participants differentiate what it means to be good at something and what it means to excel at it.

4. Taking the time to reflect, practice, and learn

We know from adult learning theory that most adults do not learn from a classroom situation; they learn best when they are doing the work required of them. To achieve a change in behavior or embody a new way of thinking, a leader must apply new concepts to their work while on the job and then evaluate whether that change worked. “Get a feedback loop and listen to it” (Pausch, 2007).

Leadership development occurs over time – not in a two-day workshop. More leadership development programs offered by MSO’s and universities need to reflect this reality. One example is Rockford College’s Nonprofit Governance and Executive Leadership Program (<http://www.rockford.edu/nicne/education.asp>).

To continuously learn from their experiences and improve along the way, leaders need to take time to assess and reflect on the circumstances and factors which contributed to the outcome. Most leaders are so focused on being action-oriented they fail to learn from their actions or the outcomes that result (Senge, 2006). Learning is an active process, but it does not happen when people do not give themselves time to learn.

SUPPORT STRATEGIES FOR LEADERS

Nonprofit leaders often need a structure that supports time for reflection. One of the mechanisms widely used in the sector is the use of peer learning circles or networks. The benefits of peer learning have been well documented. Since nonprofit chief executives often cite isolation and a lack of peers within their organizations, structured interactions with other CEO’s often provide a much-needed support system.

One advantage of peer learning is that a leader can turn to impartial colleagues who bring an informed perspective, but from a distance. This process allows leaders to investigate and under-

stand issues from a range of perspectives, not just their own.

A common business practice increasingly used in the nonprofit sector is executive coaching. A 2006 study published by the Grantmakers for Effective Organizations indicated that 42% of the foundations surveyed provide grantees with funds for coaching. At the same time, the study reports that “many foundation staff lack clarity about what constitutes coaching and how it differs from other forms of technical assistance” (p.2).

Research indicates that one factor that differentiates top performers from average ones can be the use of an executive coach who helps leaders learn from their experiences (Zenger & Folkman, 2002, p. 44). Another study cited by Michelle Gislason of CompassPoint noted that training alone can improve productivity up to 28%, but a combination of training and coaching can increase productivity as much as 88% (2007, p. 6).

Coaches help leaders question their assumptions, interpretations and conclusions. Leaders often need support to help sustain momentum for change when resistance appears. Coaches offer encouragement to keep raising the bar, provide candid, impartial feedback when things do not go as planned, and offer options for moving ahead. Chief executives of nonprofits in particular need some type of support mechanism for this reflection, application and learning cycle.

The Community Resource Center of Colorado recognizes the need for this support and incorporates a professional coaching program as a part of its Leadership Program. The coaching provides ongoing support to the leader following the classroom experience to ensure each participant is able to implement the plans they developed (http://www.crcamerica.org/leadership_coaching/Leadership/default.asp).

Indeed, the role of a leadership coach is to help leaders reveal assumptions or behaviors that produce unintended results. Coaches go beyond helping leaders embody new skills and capabilities;

they create a shift in the leader's context so the person becomes capable of behaving differently, enabling them to have a radical impact on their team and organization. Hargrove calls this kind of transformational learning "Triple-Loop Learning" – a requisite for achieving breakthroughs (1995, p. 60).

PHILANTHROPY AS CHANGE AGENT

A funder wishing to build leadership capabilities to strengthen the organizational capacity of the nonprofit sector should consider four new strategies:

1. Shift funding

Many management support organizations offer programs that build basic management skills in the current generation of leaders. But they should be targeting the next generation of leaders. Boards and funders should reasonably expect CEO's to bring expertise in fundraising, board development, finance and personnel before they lead an organization. If the sector is going to be serious about improving performance, strengthening its effectiveness and adhering to increasingly higher standards of accountability, front-line managers need to become more familiar with the basic fundraising, budgeting, personnel, and governance responsibilities well before they become executive directors or CEO's. Development managers should be working with development committees of the board, program staff should know how to manage the board's program committee, and CFO's should learn how to interact with the finance committee of the board before being tapped to become an organization's chief executive.

Foundations can recognize the need to build skills at this level within organizations so that management training programs are targeted at middle managers

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and leadership development is offered to top performing chief executives.

2. Encourage nonprofit boards to support leadership development

There needs to be a profound mind-set shift away from the current nonprofit culture that insists professional development be geared towards those leaders who are faltering or are new to their role. In the author's thirteen years of in-depth work

with nonprofit boards, the vast majority are more willing to spend money to address problems with their executive director than to invest money in their leader's development before problems arise.

To ensure a pipeline of future leaders and retain top performers, we need to take a lesson from the corporate sector where leadership development is deemed critical to an organization's success. A high percentage of corporations provide high performing managers with professional development opportunities throughout their careers.

Boards of nonprofits need to recognize that their organization's ability to consistently deliver results depends on the quality of their people more than on any other single variable. This emphasis on the importance of the quality of people has been validated by Jim Collins (2001, p. 63) along with a number of other leadership commentators and management authors.

How can funders influence boards without becoming too intrusive?

- Offer matching grants for CEO's to attend leadership development programs.
- Provide full or partial reimbursement to organizations that send their mid-level managers to management training programs.

- Partner with executive education programs run by institutions like Stanford or the Center for Creative Leadership to offer discounts or incentives to encourage boards to send chief executives to these programs.

The Atlas Family Foundation and Whitecap Foundation of Los Angeles and the Meyer Foundation of Washington D.C. each work closely with their grantees in a number of ways to build organizational and leadership capacity, all without dictating program outcomes or delving into grantees' operations. "Community foundations in cities such as Chicago, San Diego and New York are expanding programs to build local organizations' leadership capacity" (Tierney, 2006, p. 25). Innovative funders like these have utilized a number of ways to develop institutional leadership and reward high performers. These funders send a clear message to boards of directors that leadership matters.

Funders can also educate boards of directors by emphasizing the developmental rather than remedial nature of professional development. Programs like the Durfee Sabbatical program (<http://www.durfee.org/programs/sabbatical/program%20goals.html>) explicitly target the most creative, experienced and gifted nonprofit leaders, sending a powerful message to nonprofit boards of directors that personal development is a lifelong process.

3. Support top leaders

Rewarding top leadership and showcasing outstanding nonprofit leaders is another strategy. Foundations can also help change the unfortunate stigma nonprofit boards sometimes attach to leadership development: that it is a remedial intervention, rather than a reward and perk designed to highlight and enhance top performers. The James Irvine Foundation among others has recognized that linking leadership development to organizational recognition programs is a win-win for grantees and philanthropic foundations. By supporting and recognizing top leaders, the foundation community sends the message that professional development is expected at all levels, and that the most competitive

programs are reserved for the top performers.

For-profit companies that have both a strong executive education culture and a charitable giving program could send a small cadre of their grantees' leaders to company leadership development programs.

4. Recognize the potential of executive coaching

A 2003 evaluation of a CompassPoint Coaching Project by Harder + Co. (2003) outlined six areas in which coaching had a profound impact on leaders and their organizations. Some of the key findings included:

- Improved ability to connect to the organization's vision and lead others in fulfilling it;
- Increased confidence in exercising leadership;
- Improved relationships with board and staff;
- Improved clarity of decision-making, roles and responsibilities throughout the organization;
- Improved fundraising capacity and financial stability;
- Better teamwork, cooperation, communication and productivity.

This study, along with a small number of other evaluations on the value of executive coaching point to the dramatic differences that coaching can have not only on the leader, but on his or her organization as well. Skilled coaches provide essential support to nonprofit leaders as they guide their organizations into the future.

Many foundations already provide resource directories listing organizations that offer capacity building services. Funders could consider publishing a vetted list of certified coaches specializing in the nonprofit sector to help steer leaders to qualified coaching professionals. They could also provide online links to make it easy for grantees to find certified coaches.

CONCLUSION

Many community-based nonprofit organizations provide a critical social safety net that society has come to rely on for providing basic services. Each of these organizations needs strong, visionary leaders who are able to compel others to join their cause and support their efforts. Rising to meet and overcome increasingly complex challenges with limited resources is an everyday part of an executive director's job. The sector's success in grooming, sustaining, and retaining leaders may hinge on providing them with the right kind of training and support.

As key players in the training and development environment, more MSO's and university leadership programs should shift their emphasis to focus on building leadership capabilities and using accepted best practices in adult learning. Foundations that fund MSO's and university programs should require both of these adaptations. These modifications will help ensure more leaders are able to meet the increasing challenges. ■

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